

FRACTIONAL CURRENCY COLLECTORS BOARD

Fall 2011

F.U.N. Time Coming...

My sincere apology for the tardiness of this newsletter. The past three months have been hectic and stressful. First, I lost my best friend with the passing of my brother Vic. Vic had a 2 ½ year battle with kidney and colon cancer. He never complained and was active until the last few months of his life. Few in our current fraternity know him, but he was one of the charter members of the FCCB. He had a keen eye for rarities and assembled a rather good collection of fractional of his own and was the person who helped finance my collection. Thus far, we have lost four of our charter members: Tom Knebel, Jackson Storm, Milt Friedberg and my brother Vic. (I don't remember if Tom Flynn was a charter member.)

Second, my final semester as the Master of Public Administration Director at East Tennessee State University was horrific. I chaired seven Masters' capstone reports in one semester. If you are not in academia, you probably don't know how demanding that is. I am really looking forward to retirement!

I'm reminded that it's almost January and time for our annual membership dues. The mailing label on the envelope for this newsletter will indicate when your membership expires. If your mailing label has "Paid Thru: 2011" on the upper right corner, please take a few minutes and send your check for \$15 made out to F.C.C.B. to renew for 1 year, or any multiple of \$15 for additional years to our treasurer:

David Treter, FCCB Treasurer
205 Brighton Ave.
Rochester, PA 15074

As for the world of fractional, things seem to be picking up a bit. I noticed that an M.S.-64 Fr. 1311 just went for \$1,350 plus the buyer's fee at a recent Stack's-Bowers auction. Similarly, Heritage has the best offering of fractional in the upcoming F.U.N. auction that I have seen from them in quite some time. I hope to see you in Orlando.

Happy hunting and Happy Holidays!

Mike

Mike Marchioni

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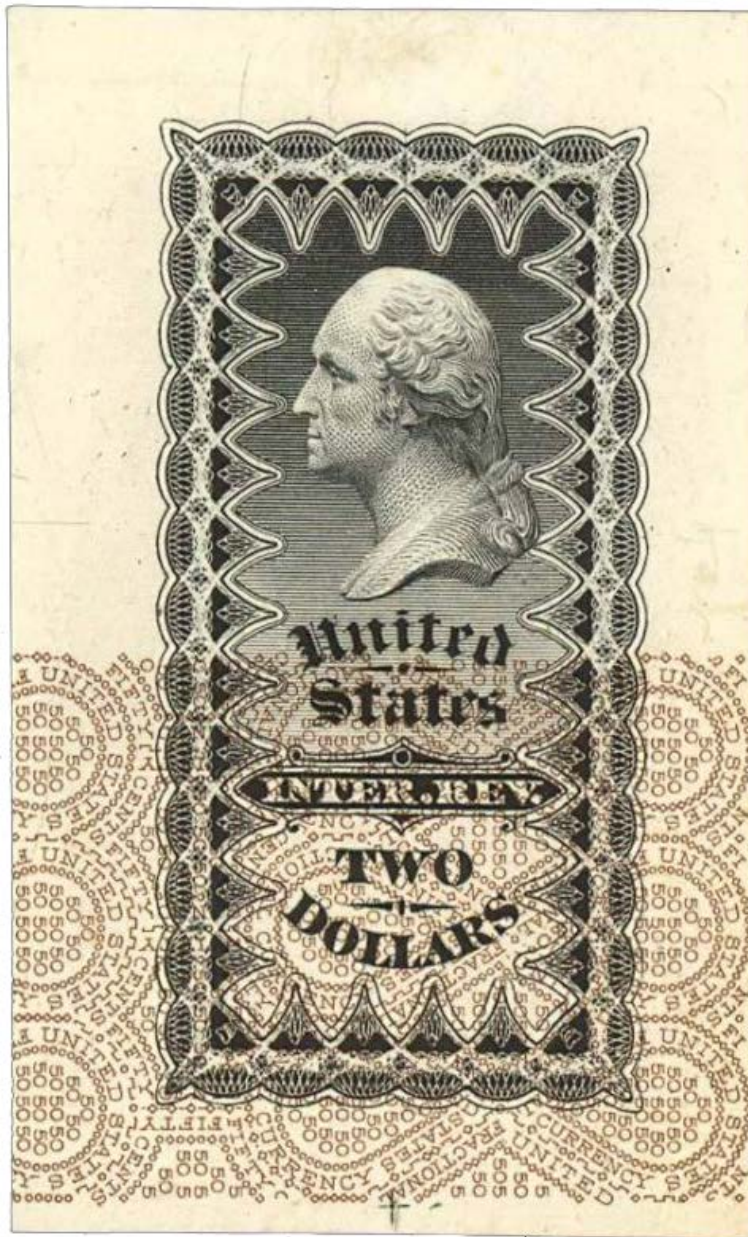
Does Anyone Have Any Idea??

By

Erwin (Erw) Brauer

I thought I would share a piece that I picked up but am puzzled as to what its intended purpose was. Take a look. Is there anyone else who would like to see if they have any ideas?

This is a Turner Essay #25-I with "Fractional Currency 50 cents" added as an overprint. There is another similar type with Bank Notes, \$5.00, so there was some kind of relationship to that denomination. How those two overprints would be related to a \$2 revenue stamp is, as I mentioned, a puzzle. The government taxed financial documents to pay for the Civil War, could they have been thinking about how to tax the issue of paper money?



HERITAGE

CURRENCY SIGNATURE AUCTION

JANUARY 4-7, 2012 | ORLANDO | LIVE & ONLINE



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Heritage Currency is pleased to present highlights from **The Honorable William H. Kelly Collection** being offered in our upcoming FUN Signature Currency auction.



HB-26 EP-183a
Reed-AP90 90c
Take Ayer's Pills
Extremely Fine
HA.com/3516-29142



HB-116 EP-14
Reed-EV01 1c
G. G. Evans
About New
HA.com/3516-29086



HB-173 EP-172
Reed-LT24 24c
Lord & Taylor
About New
HA.com/3516-29145



HB-207 EP-90
Reed-SA05 5c
Sands' Ale
Extremely Fine
HA.com/3516-29118



HB-185 EP-52a
Reed-NO03 3c
John W. Norris
Extremely Fine
HA.com/3516-29066

The collection includes a large number of Confederate T1 thru T4 notes known as the "Montgomerys." Many other Confederate rarities are also contained in the collection. The list of rare Southern States Currency notes is extensive as well and includes a number of unlisted varieties. The encased postage portion of the collection contains a complete merchant set. In addition, over one hundred other denominations and varieties are included.

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This auction subject to a 15% buyer's premium.

Free catalog and *The Collector's Handbook* (\$65 value) for new clients. Please submit auction invoices of \$1000+ in this category, from any source. Include your contact information and mail to Heritage, fax 214-409-1425, email CatalogOrders@HA.com, or call 866-835-3243. For more details, go to HA.com/FCO.

HERITAGE

AUCTIONS

HA.com

JAMES POLIS IS BUYING AND SELLING **FRACTIONAL CURRENCY**

I am one of the strongest buyers in this field. Take a look at any major auction or show at who is buying fractionals in all grades and you will usually hear my name or see my face. Please send me your notes for a fair and expedient offer.

I am passionately looking for all scarcer varieties as well as Choice-Gem
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Gem Second Issue Notes with clear surcharges

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Very competitive rates offered – I am at every major paper money auction

MAJOR ADVERTISER

Check out my full-page ad on *page 17* in every issue of the Bank Note Reporter.

WANT LISTS SERVICED

I attend many of the major shows and auctions to satisfy my customer's collecting needs.

The following is a small sampling of some prize notes that I have placed into customer's collections:

Marchioni Fr. 1248 Choice CU

Fr. 1299 Very Choice CU

Gengerke Fr. 1330 Gem CU

Fr. 1336 Choice CU

O'Mara Fr. 1339 NM Specimen Reverse AU

Fr. 1340 Superb Gem CU

Fr. 1348 Choice CU

Fr. 1368 Gem CU

O'Mara Fr. 1371 Choice AU

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HERITAGE LONG BEACH AUCTION

SEPTEMBER 7, 2011

By

Rick Melamed

The old adage that the most important determining factor of value is condition certainly rang true on Wednesday night September 7th at the Heritage Currency Auction in Long Beach, California.

Up for sale was a small but impressive collection of Gem fractional notes. There were quite a few "66" and "67" graded notes. Even in the largest fractional sales, one is lucky to see one lot grade above a "65"...in this auction an impressive 12 examples graded at very lofty heights.

Pricing on the 4th issue notes was groundbreaking. Especially noteworthy was an Fr.1271 that graded PCGS 67 selling for \$3,680.00 (with the auction buyer's fee). The price would be 1/8 to 1/10 less if it graded a GEM 65. Chalk it up to condition rarity.

One of my disappointments was an Fr.1258 that graded PCGS-67. That it contained plate #28 was the main attraction to me. The pre-sale estimate was \$600.00. I thought \$1,000 tops and I would bid \$1,200 to obtain it (which would far exceed the highest price paid for that Friedberg number). I was shocked when it sold for \$2,185.00. Prices usually seen for Justice/Spinner 1-A notes.

An Fr.1301 with a PCGS 66 grade sold for \$1,380.00; or 5 times the price of a "65"...crazy...right?? And the very common Fr.1381 graded PCGS-67 sold for \$1,955.00. The only bargain (and I was too slow on the trigger) was an Fr.1253 graded PCGS-67 selling for \$433.25. Frankly, it should have sold for double that amount considering the graded condition and that it's a hand signed note.

I guess it's good to see high prices for fractional notes. Some of this may be attributable to the huge run up of gold and silver prices with currency coming along for the ride. My only tale of caution is that grading appears to be pushing the upper bounds of pricing creating, in my opinion, inflated value. Frankly a couple of the notes appeared to be over-graded. The Fr.1258 that graded a "67" was lightly toned and had a couple of slightly rounded corners. Something that you would not expect for a note graded a "67". People are buying the holder not the note. Also there was an Fr.1376 Stanton that had a very tight upper margin. That it graded a "65" is inexplicable.

Show below is the sale prices of every fractional that graded at PCGS 66 or above:

Lot 15672: Fr.1233 – PCGS-66 - \$373.75
Lot 15673: Fr.1233 – PCGS-66 - \$488.75
Lot 15677: Fr.1238 – PCGS-66 - \$488.75
Lot 15678: Fr.1251 – PCGS-67 - \$862.50
Lot 15679: Fr.1253 – PCGS-67 - \$431.25
Lot 15682: Fr.1272SP – WM Pair PCGS-64 (Face)/PCGS-66 (Rev) \$1,495.00
Lot 15693: Fr.1258 – PCGS-67 - \$2,185.00
Lot 15694: Fr.1259 – PCGS-67 - \$1,840.00
Lot 15695: Fr.1271 – PCGS-67 - \$3,680.00
Lot 15696: Fr.1301 – PCGS-66 - \$1,380.00
Lot 15700: Fr.1264 – PCGS-66 - \$517.50
Lot 15701: Fr.1381 – PCGS-67 - \$1,955.00



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Postal Currency Discoveries

By M. R. Friedberg

One of the great benefits of collecting Postal and Fractional Currency is the ease of discovering new or unreported items in this little known series of American currency.

Matt Rothert, in his *Guide Book of United States Fractional Currency* published by Whitman Publishing Co., has done the collector a great service in illustrating many of the unreported items in the Cunningham-Crofoot collection. On pages 15 and 16 of his book are illustrated a series of uniface essays of obverses and reverses of the first issue in which the words "Postage stamps" appear in place of the finally approved and issued "Postage Currency". I recently inspected and photographed a philatelist's collection of Postal Currency and discovered the item illustrated in Figure 1. (The essay is on thin, light tan India paper and shows indications of having been glued in an album across the top of the reverse). This uniface narrow-margin essay completes the set of obverses shown by Rothert in that it is the second 5c obverse apparently offered to the Government by the National Bank Note Company. Thus the officials were given a choice of two designs for the 5, 10, 25 and 50c notes. It is interesting to observe that the choice in the essays is now shown to have been as follows:

25c—One design with an outlined character "Postage Stamps" and numerals only in upper corners on a lightly shaded background vs. a design with solid characters for "Postage Stamps" and the numerals on an almost solid background. The legend "cents" was superimposed over the numerals of value. (The design with outlined characters was adopted.)

50c—One design with numerals of value of smaller, squatter characters on a field having a triangular shape in the lower corner adjacent to the vignette, whereas the alternate field design is uniform except for a portion obscured by the vignette. Both designs had "Postage Stamps" on a straight line. (The uniform field design was adopted.)

In all cases the word "stamps" was changed to "currency" in the final design. We can assume that more than one set of these notes exist since at least one set of approved designs must have been returned to National Bank Note Company for their guidance, and in addition D. W. Valentine lists a set of such "Postage Stamp" essays as his numbers 5 to 15 in *Fractional Currency of the United States* published by F. C. C. Boyd. Valentine credits these items to a 1915 auction by Henry Chapman.



Figure 1.

5c—One design with "Postage Stamps" printed on a curved lines vs. "Postage Stamps" printed on a straight line. (The curved line design was adopted.)

10c—One design with "Postage Stamps" printed on curved line and with "X" each side of portrait vs. straight line "Postage Stamps" and "10" each side of portrait. (The straight line design was adopted.)

A second related discovery in the same collection of Postal Currency was the set of die proofs illustrated as Figures 2 to 7. The set did not include reverses of the 5 or 50c items. These die proofs are black ink on thin white India except for the 5c obverse which is on a thin, yellow, stiff card. Each die proof has been trimmed to note size and appears to be a trial from the unhardened die. These proofs in black ink have not been previously reported.



Figure 2.

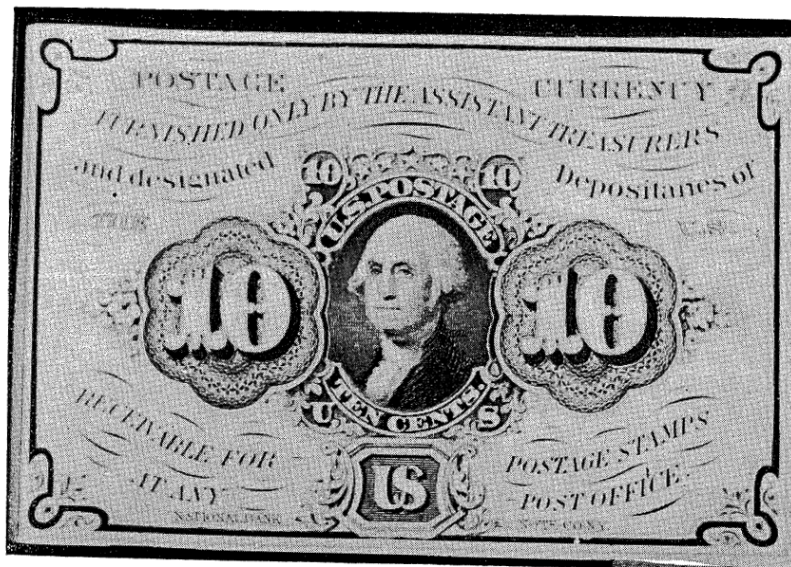


Figure 3.

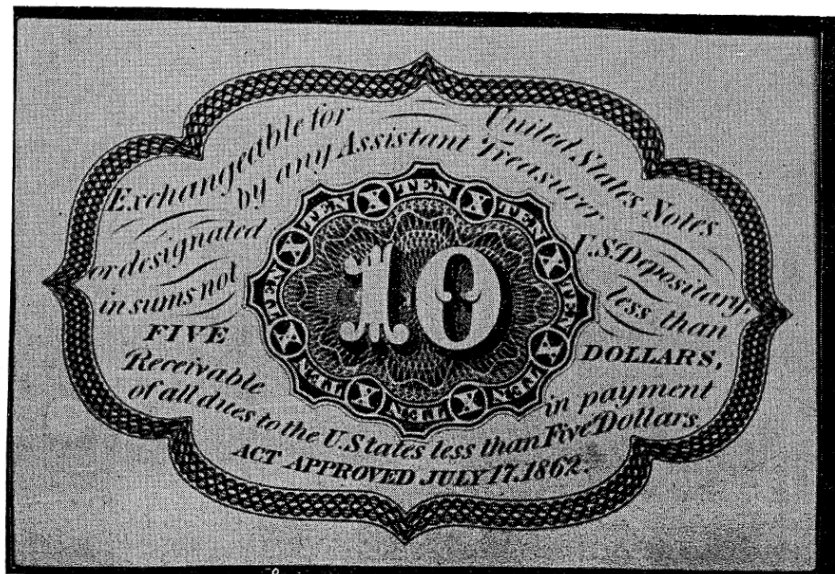


Figure 4.



Figure 5.

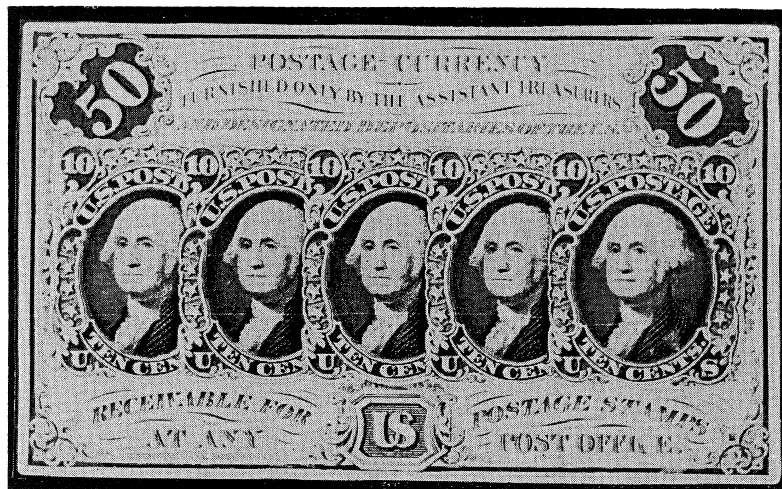


Figure 7.

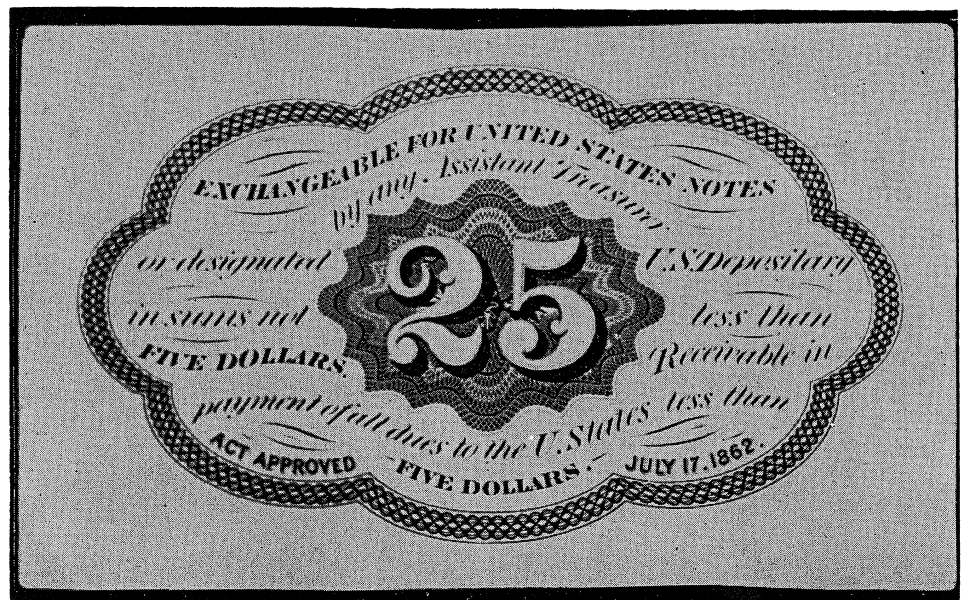


Figure 6.

Member's Trading Post

<p>Looking for Graphics of Satirical Notes and other Rare Fractional Items for Historical Collection Effort.</p> <p>Jerry Fochtman jfochtman@bradmark.com 713/513-9309</p>	<p>Researcher/Collector interested in ALL fractionals with inverted or mirrored plate numbers. If you have one (for sale or research) please e-mail riconio@yahoo.com or call 818/591-2326. Thanks – Rick Melamed.</p>	<p>Wanted: FR1374 (Lincoln) Counterfeits notes, scans,clippings, info, etc.</p> <p>Fred Reed (FCCB #55) Freed3@airmail.net P.O.B 118162 Carrollton, TX 75011</p>
	<p>Want lists serviced and auction representation with over 40 years of Fractional experience</p> <p>Mike Marchioni Marchion@ETSU.EDU 423/439-5362</p>	

Current FCCB Members are welcome to submit requests for the Trading Post!